Amendment in the Agriculture Produce Marketing Act

2749. SHRI T.T.V. DHINAKARAN: Will the Minister of AGRICULTURE be pleased to state:

(a) whether Government have proposed to amend the Agricultural Produce Marketing Act, which is a hindrance in the development of food processing industry;

(b) if so, the details thereof; and

(c) the action taken to rectify the deficiencies?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA): (a) to (c) The Central Government has advised the State Governments by circulating a Model Agricultural Produce Marketing (Development & Regulation) Act in 2003 to make amendments in their respective Agriculture Produce Marketing Committee (APMC) Acts to allow direct marketing, contract farming and to promote setting up of competitive markets in private and cooperative sector. The development of contract farming and alternative competitive market in private and cooperative sector would provide freedom to farmers to sell their produce in such market, which will ensure them better prices/services and it will establish an effective linkage between the farm production and retail chain and food processing industries. Since agriculture marketing is a State subject, it is for the State Governments to amend the APMC Act as studied to them.

The State Governments of Madhya Pradesh, Himachal Pradesh, Punjab, Sikkim., Nagaland, Andhra Pradesh, Rajastjan, Chhattisgarh, Orissa, Assam, Arunachal Pradesh, Maharashtra and Union Territory of Chandigarh have made amendments on the major areas of reforms suggested in the Model Law and Haryana, Karnataka, National Capital Territory of Delhi, Uttar Pradesh and Gujarat made partial reforms. Government of Bihar has. replealed the APMC Act. The State and UT of Kerala, Manipur, Andaman and Nicobar Islands, Dadra and Nagar Haveli, Daman and Diu and Lakhshadweep have no APMC Acts.